

Message Text

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ACTION EB-08

INFO OCT-01 EA-07 ISO-00 AID-05 CIAE-00 COME-00 FRB-03

INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03 SP-02

LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04 CEA-01

AGRE-00 L-03 IGA-02 /080 W

-----050253Z 021465 /67

R 041011Z MAR 77

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 6766

LIMITED OFFICIAL USE MANILA 3272

DEPARTMENT PASS USDA/FAS

USDA, FAS STEPHENS/CEP AND DAVIS, COT DIV, FMD

STATE FOR ANGEVINE, F&TD

E. O. 11652: NA

TAGS: EARG, RP

SUBJECT: COTTON CONTRACT PROBLEM

1. AGATTACHE HAS HAD SEVERAL MEETINGS WITH DBP DURING PAST WEEKS IN TRYING TO RESOLVE CURRENT PROBLEM. IT SEEMS THAT BEFORE YUPANGCO WILL VACATE COURT DECISION, MR. TYPOCO, THE LAWYER FOR YUPANGCO, MUST FIND A WAY TO QUOTE SAVE FACE END QUOTE. DBP HAS HAD LENGTHY DISCUSSION WITH TYPOCO AND BELIEVE THAT A LETTER SIGNED BY THE AGATTACHE WOULD SATISFY TYPOCO AND PAVE THE WAY FOR CANCELLATION OF CONTRACT AND WAIVE COURT DECISION.

2. FOLLOWING IS PROPOSED TEXT OF LETTER PREPARED BY DBP: BEGIN TEXT. WE AGREE WITH DEVELOPMENT BANK OF THE PHILIPPINES THAT YUPANGCO WAS NOT ENTIRELY TO BLAME FOR NOT HAVING MET ITS IMPORT COMMITMENTS WITH COTTON IMPORT AND EXPORT COMPANY (CIEC). WE CANNOT DEFINITELY OVERLOOK THE FACT LIMITED OFFICIAL USE

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THE CIEC DID SHIP INFERIOR QUALITY COTTON TO YOUR FIRM. HOWEVER, IT IS FUTILE AT THIS POINT TO TRY AND PLACE FAULT WITH EITHER YOU OR CIEC. PARA. ACCORDINGLY, WE CAN ONLY APOLOGIZE FOR THE PROBLEMS THAT CIEC HAS CAUSED YUPANGCO COTTON MILLS, INC. ON MY PART, I CAN ALSO TRY AND HELP OBVIATE REPETITION OF THE PROBLEM. MEANTIME, WE LOOK FORWARD TO THE EARLY SETTLEMENT OF YOUR CONTROVERSY WITH CIEC AND WOULD THEREFORE APPRECIATE

IT IF YOU CAN NOW WITHDRAW THE CASE YOU FILED IN A LOCAL COURT
AGAINST CIEC AND CONFIRM YOUR REQUEST FOR THE CANCELLATION OF
YOUR PAST DUE CONTRACT WITH SAID COMPANY. END TEXT.

3. IF WASHINGTON ACCEPTS PRINCIPLE OF OUR SENDING SUCH A LETTER
WE WOULD SUGGEST THAT SECOND SENTENCE OF PARA ON BE CHANGED
TO READ QUOTE WE CANNOT OVERLOOK THE FACT THAT CIEC APPARENTLY
DID SHIP COTTON THAT DID NOT MEET CONTRACT SPECIFICATIONS END
QUOTE AND THE FIRST SENTENCE OF SECOND PARA TO READ QUOTE
ACCORDINGLY, WE CAN ONLY REGRET THE INCONVENIENCE THAT THIS
PROBLEM HAS CAUSED YUPANGCO COTTON MILLS, INC. END QUOTE.

4. IT SEEMS THAT FROM DBP POINT OF VIEW SUCH A LETTER WOULD
BE NECESSARY TO GET YUPANGCO TO VACATE COURT DECISION. WE
THEREFORE WOULD APPRECIATE YOUR COMMENTS AND SUGGESTIONS AS
TO HOW WE SHOULD PROCEED FROM HERE.
SULLIVAN

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COTTON, CONTRACTS
Control Number: n/a
Copy: SINGLE
Sent Date: 04-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MANILA03272
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770076-0097
Format: TEL
From: MANILA
Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1977/newtext/t19770393/aaaaddsi.tel
Line Count: 79
Litigation Code IDs:
Litigation Codes:
Litigation History:
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Original Classification: LIMITED OFFICIAL USE
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Previous Handling Restrictions: n/a
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Review Date: 23-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3208558
Secure: OPEN
Status: NATIVE
Subject: COTTON CONTRACT PROBLEM
TAGS: EAGR, RP
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/40bfadbd-c288-dd11-92da-001cc4696bcc
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